

EVIDENTIARY HEARING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Application for a Small Power) Docket No.
Plant Exemption for the) 08-SPPE-1
Riverside Energy Resource Center)
Units 3 and 4)
_____)

CALIFORNIA ENERGY COMMISSION

HEARING ROOM A

1516 NINTH STREET

SACRAMENTO, CALIFORNIA

MONDAY, JANUARY 5, 2009

2:05 P.M.

Reported by:
Peter Petty
170-07-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMITTEE MEMBERS PRESENT

Karen Douglas, Presiding Member

James D. Boyd, Associate Member

HEARING OFFICER, ADVISORS and STAFF PRESENT

Raoul Renaud, Hearing Officer

Susan Brown, Advisor

Deborah R. Dyer, Staff Counsel

Felicia Miller, Project Manager

PUBLIC ADVISER

Nicholas O. Bartsch

APPLICANT

Allan J. Thompson, Attorney
on behalf of Riverside Energy Resource Center

Robert B. Gill, Project Manager
Stephen H. Badgett
City of Riverside

David Tateosian
Power Engineers

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P R O C E E D I N G S

2:05 p.m.

PRESIDING MEMBER DOUGLAS: Good

afternoon, everybody. Welcome to the evidentiary hearing for the Riverside Energy Resources Center Units 3 and 4.

Again, my name is Karen Douglas; I'm the Presiding Member of this Siting Committee. And the Associate Member of the Committee, Commissioner Boyd, is, I guess, two people over from my right.

Hearing Officer Raoul Renaud is to my right. And Commissioner Boyd's Advisor, Susan Brown, is to the right of Commissioner Boyd.

With that, welcome again, and I'll turn this over to the Hearing Officer.

HEARING OFFICER RENAUD: Thank you, Commissioner Douglas. Again, we'll start this evidentiary hearing by taking introductions from the parties.

Let's start with the applicant, please.

MR. THOMPSON: Thank you very much. My name is Allan Thompson. I'm representing Riverside, the RERC project.

To my right is Bob Gill, who is the

1 principal engineer and Project Manager for the
2 project.

3 And behind me we have Mike Tatterson and
4 Dave Tateosian, both of Power Engineers. Susan
5 Wilson, Deputy City Attorney for the City of
6 Riverside.

7 David Wright, the General Manager of
8 Public Utilities. Steve Badgett, Director for the
9 Power Division. And Bin Nguyen, Plant Engineer.
10 And Karl Lany from SCEC, our air quality expert.

11 HEARING OFFICER RENAUD: Okay, thank
12 you. And on behalf of staff, please.

13 MS. DYER: My name is Deborah Dyer and
14 I'm the attorney for staff in this case. And to
15 my -- for the Energy Commission Staff. And to my
16 right is Felicia Miller; and she is the Project
17 Manager for this case.

18 HEARING OFFICER RENAUD: Thank you very
19 much. Is there anyone representing Alliance for a
20 Cleaner Tomorrow, intervenor in this case? No.

21 Mr. Bartsch, if you'd care to introduce
22 yourself.

23 MR. BARTSCH: Nick Bartsch from the
24 Public Adviser's Office.

25 HEARING OFFICER RENAUD: Thank you very

1 much.

2 All right, this evidentiary hearing is a
3 formal adjudicatory proceeding to receive evidence
4 from the parties in this matter.

5 We are being recorded today. The
6 recording will be transcribed into a written
7 transcript which will be available and part of the
8 public record in this proceeding.

9 We're also on an open telephone line so
10 that people can call in and listen and participate
11 if they wish. I don't believe we have anyone on
12 the phone yet, is that correct? All right.

13 At our prehearing conference earlier
14 today the parties stipulated that all testimony
15 and evidence would be admitted, or would be moved
16 into evidence by declaration.

17 And Mr. Thompson did indicate that he
18 would wish to call one witness, Mr. Badgett, I
19 believe, is that correct?

20 MR. THOMPSON: Yes.

21 HEARING OFFICER RENAUD: All right,
22 good. The Committee will, after receiving the
23 evidence, and at the close of the hearing, then
24 consider the matter and issue a decision.

25 The Energy Commission Staff has issued a

1 proposed mitigated negative declaration and final
2 initial study.

3 The public comment period for that
4 opened on December 17, 2008, and will close
5 January 17, 2008 (sic). I think I've got the
6 dates right. And the Commission decision would be
7 issued after the close of the public comment
8 period.

9 With that, let's proceed to the
10 introduction of evidence, and start with the
11 applicant's evidence.

12 We have issued a tentative exhibit list,
13 which I think everyone has a copy of. And it
14 shows seven exhibits on behalf of the applicant.
15 And I'll just summarize those.

16 Exhibit 1 is the application for a small
17 power plant exemption. Exhibit 2 is response to
18 Energy Commission data requests 1 through 71.

19 Exhibit 3 is a letter to Felicia Miller,
20 CEC Project Manager, with RPU planning criteria,
21 dated July 22, 2008. Exhibit 4 is sketches ECGSK-
22 2 and ECGSK-3, duct banks, dated July 22, 2008.

23 Exhibit 5 is a drawing depicting the
24 69kV network, dated July 22, 2008. Exhibit 6 is
25 RPU plans for future 69kV network improvements,

1 dated August 12, 2008.

2 And applicant's exhibit 7 is RPU letter
3 describing transmission system, dated September 4,
4 2008.

5 Mr. Thompson, on behalf of the
6 applicant, do you wish to move those into
7 evidence?

8 MR. THOMPSON: I do, thank you very
9 much.

10 HEARING OFFICER RENAUD: Is there any
11 objection on behalf of any party?

12 MS. DYER: No objection.

13 HEARING OFFICER RENAUD: Those will be
14 admitted, then. Thank you.

15 On behalf of the Energy Commission Staff
16 we have two exhibits on the list. Exhibit 200 is
17 the proposed mitigated negative declaration and
18 final initial study for the Riverside Energy
19 Resource Center Units 3 and 4, all technical
20 areas; dated December 22, 2008.

21 Exhibit 201 is the proposed conditions
22 of exemption, including changes since publication,
23 also dated December 22, 2008.

24 On behalf of staff, Ms. Dyer, do you
25 wish to move those into evidence?

1 MS. DYER: Yes, staff would like to move
2 those two exhibits into evidence.

3 HEARING OFFICER RENAUD: All right,
4 thank you. And is there objection from any party?

5 MR. THOMPSON: None.

6 HEARING OFFICER RENAUD: All right,
7 those will be admitted, as well.

8 And does anyone wish to call a witness
9 at this time?

10 MR. THOMPSON: We have one witness. Is
11 there anything that you would like us to do with
12 the 13 witness prepared direct testimony
13 accompanied by the declarations and the r, sum, s,
14 as far as moving those into the record? Or are
15 they sufficient the way they are?

16 HEARING OFFICER RENAUD: They're
17 sufficient the way they are. We have those in the
18 record, and we have the other documents in the
19 record. So, we're fine.

20 MR. THOMPSON: Good. Thank you very
21 much.

22 Applicant would like to call Mr. Steve
23 Badgett.

24 //

25 //

1 Whereupon,

2 STEPHEN H. BADGETT

3 was called as a witness herein, and after first
4 having been duly sworn, was examined and testified
5 as follows:

6 THE REPORTER: State and spell your full
7 name for the record.

8 MR. BADGETT: My name is Stephen
9 Badgett; S-t-e-p-h-e-n B-a-d-g-e-t-t.

10 DIRECT EXAMINATION

11 BY MR. THOMPSON:

12 Q Mr. Badgett, your prepared testimony is
13 already a part of the record in this proceeding.
14 But on top of that, would you just briefly
15 describe your responsibilities with regard to this
16 project?

17 MR. BADGETT: Gladly. My name is,
18 again, Steve Badgett. I'm the Deputy General
19 Manager of Riverside Public Utilities. And my
20 responsibility is to provide energy both from
21 outside the grid and internally to the city's grid
22 to our 105,000 customers. And including the
23 construction of the Riverside Energy Resource
24 Center's Units 3 and 4.

25 MR. THOMPSON: Staff has issued a final

1 initial study which contains the conditions of
2 exemption that the city must live up to if this
3 project is going to be going forward.

4 On behalf of the City RPU do you accept
5 those conditions of exemption?

6 MR. BADGETT: I do.

7 MR. THOMPSON: Is there anything you'd
8 like to add to the record in this proceeding?

9 MR. BADGETT: Yes. Just a thank you to
10 Commissioner Douglas and Commissioner Boyd and
11 your staff.

12 This was, as you know, our second
13 application through the Energy Commission. We
14 have had nothing but great cooperation, technical
15 expertise and professionalism from your staff.
16 And on behalf of the City of Riverside and its
17 customers we want to thank you for your assistance
18 in this project.

19 Thank you.

20 MR. THOMPSON: Mr. Badgett's tendered
21 for cross-examination.

22 MS. DYER: No cross-examination
23 questions.

24 HEARING OFFICER RENAUD: All right. Any
25 questions from the Committee?

1 ASSOCIATE MEMBER BOYD: Nothing.

2 PRESIDING MEMBER DOUGLAS: No questions.

3 HEARING OFFICER RENAUD: No questions.

4 All right. Thank you.

5 MR. BADGETT: Thank you.

6 HEARING OFFICER RENAUD: All right, are
7 there any further witnesses to be called?

8 MR. THOMPSON: None from applicant.

9 HEARING OFFICER RENAUD: All right.

10 MS. DYER: None from staff.

11 HEARING OFFICER RENAUD: Yes?

12 MS. DYER: None from staff.

13 HEARING OFFICER RENAUD: None from the
14 staff.

15 I've been mulling over your suggestion,
16 Mr. Thompson, about admitting the packet of
17 r,sum,s and declarations as an exhibit. It's in
18 the record and probably we don't formally need to
19 do it. But it can't hurt.

20 So, if you wish to move that into
21 evidence, we would entertain such a motion.

22 MR. THOMPSON: Thank you. On December
23 16th applicant filed a prehearing conference
24 statement. Attached to that was the prepared
25 direct testimony of 13 witnesses. Attached to

1 each of the witnesses' prepared testimony was a
2 declaration and a r, sum, .

3 I would like to move all 13 of those
4 prepared direct testimonies into the record.

5 HEARING OFFICER RENAUD: Very good,
6 thank you.

7 And on behalf of staff, are you familiar
8 with the documents referred to?

9 MS. DYER: Yes, we are.

10 HEARING OFFICER RENAUD: Do you have any
11 objections?

12 MS. DYER: No objections.

13 HEARING OFFICER RENAUD: All right,
14 they'll be admitted then, thank you very much.

15 MR. THOMPSON: Thank you.

16 HEARING OFFICER RENAUD: That'll be
17 exhibit 8, applicant's exhibit 8.

18 All right. Do we have anyone on the
19 phone? Do we have anyone here who wishes to make
20 a comment at this point?

21 Any comments or closing remarks by the
22 Committee?

23 ASSOCIATE MEMBER BOYD: I just don't
24 want the audience to think this is a typical --

25 (Laughter.)

1 ASSOCIATE MEMBER BOYD: This is so
2 atypical I'm enjoying it.

3 HEARING OFFICER RENAUD: Yeah.

4 Well, it couldn't hurt for me just to
5 state that this is not a typical case. This is an
6 application for a small power plant exemption,
7 which the Commission allows in cases of plants
8 that are between 50 and 100 megawatts in size.

9 And where there appears to be no ground
10 to believe that there could be a serious or a
11 significant environmental impact, the Commission
12 is empowered to exempt that project from further
13 Commission proceedings.

14 And that's the reason this case appears
15 to have so little controversy, because that, in
16 fact, is the nature of a small power plant
17 exemption.

18 ASSOCIATE MEMBER BOYD: Not all of them.

19 HEARING OFFICER RENAUD: Not all of
20 them, that's true.

21 (Laughter.)

22 HEARING OFFICER RENAUD: But we hope.
23 This could be, perhaps, viewed as a textbook SPPE.

24 ASSOCIATE MEMBER BOYD: My last one
25 turned into a full AFC, so --

1 HEARING OFFICER RENAUD: See, that can
2 happen. And that's part of our process, is we
3 hope, through the examination of the application
4 to see whether or not there are, in fact, grounds
5 for concern. And if so, the proceeding can be
6 converted into an application for certification.

7 That wasn't the case here. And that
8 explains the brevity of these proceedings. But it
9 has been thoroughly reviewed and investigated by
10 Energy Commission Staff.

11 If there are no further comments,
12 evidence, remarks, anything, I will adjourn the
13 meeting.

14 MR. THOMPSON: Thank you very much.

15 HEARING OFFICER RENAUD: Thank you.

16 (Whereupon, at 2:16 p.m., the
17 evidentiary hearing was adjourned.)

18 --o0o--

CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter,
do hereby certify that I am a disinterested person
herein; that I recorded the foregoing California
Energy Commission Evidentiary Hearing; that it
was thereafter transcribed into typewriting.

I further certify that I am not of
counsel or attorney for any of the parties to said
hearing, nor in any way interested in outcome of
said hearing.

IN WITNESS WHEREOF, I have hereunto set
my hand this 12th day of January, 2009.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345□